

A G E N D A

**MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY
Special Meeting
County Administration Conference Room
Montgomery County Government Center
June 9, 2008
6:00 P.M.**

I. CALL TO ORDER

II. DETERMINATION OF QUORUM

III. INTO WORK SESSION

- A. Davenport & Company, LLC – Loan Refinancing

IV. OUT OF WORK SESSION

V. NEW BUSINESS

- A. Authorize Davenport & Company, LLC to Move Forward with Loan Refinancing – Carter Bank & Trust
- B. Approve Resolution Authorizing the Refunding of Existing Bonds of the Authority, the Undertaking of Capital Improvements to Facilities of the Authority, and the Issuance, Sale and Award of a Not to Exceed \$6,600,000 Revenue Bond, and Providing for the Form, Details and Payment Thereof
- C. Approve Financing Agreement Between the Montgomery County Public Service Authority and Carter Bank & Trust

VI. DIRECTOR'S REPORT

VII. ADJOURNMENT

TO: PSA Board of Directors
FROM: Robert C. (Bob) Fronk, PSA Director
DATE: June 6, 2008
SUBJECT: **AGENDA REPORT - PSA SPECIAL MEETING – JUNE 9, 2008**

I. CALL TO ORDER

The Chair will call this meeting to order.

II. DETERMINATION OF QUORUM

The Chair will determine if a quorum is present.

III. INTO WORK SESSION

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby enters into Work Session for the purpose of discussing the following:

- A. Davenport & Company, LLC – Loan Refinancing
See attached memorandum from Courtney Rogers.

IV. OUT OF WORK SESSION

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority hereby ends their work session to return to regular session.

V. NEW BUSINESS

- A. **SUBJECT: AUTHORIZE DAVENPORT & COMPANY, LLC TO MOVE FORWARD WITH LOAN REFINANCING – CARTER BANK & TRUST**

**R08-06-09-1
AUTHORIZE DAVENPORT & COMPANY, LLC TO MOVE
FORWARD WITH LOAN REFINANCING
FROM CARTER BANK & TRUST**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority Board of Directors, at its May 5, 2008 meeting, authorized Davenport & Company, LLC to proceed with preparing necessary documentation to develop a competitive solicitation to local/regional financial institutions for refinancing of PSA Rural Development Loans; and,

WHEREAS, the Public Service Authority Board of Directors, at its June 2, 2008 meeting, requested Davenport & Company to provide additional information before the Authority making a final decision; and

NOW, THEREFORE BE IT RESOLVED, that the Public Service Authority Board of Directors hereby authorizes Davenport & Company, LLC to proceed with the bid received from Carter Bank & Trust at a _____ % rate over a period of _____ years and to work with the Authority's Bond Counsel to prepare, review, and execute the appropriate documentation to complete the transaction.

ISSUE/PURPOSE: To refinance the existing Rural Development Loans to obtain lower interest and shorten the term in order to reduce the overall cost and term of the Rural Development loans.

JUSTIFICATION: Reducing the interest rate and term is projected to save the PSA \$1,780,122.

**B. SUBJECT: APPROVE RESOLUTION
AUTHORIZING THE REFUNDING OF
EXISTING BONDS OF THE
AUHORITY, THE UNDERTAKING OF
CAPITAL IMPROVEMENTS TO
FACILITIES OF THE AUTHORITY,
AND THE ISSUANCE, SALE AND
AWARD OF A NOT TO EXCEED
\$6,600,000 REVENUE BOND, AND
PROVIDNG FOR THE FORM,
DETAILS AND PAYMENT THEREOF**

R08-06-09-2

**APPROVE RESOLUTION AUTHORIZING THE REFUNDING OF
EXISTING BONDS OF THE AUTHORITY, THE UNDERTAKING OF
CAPITAL IMPROVEMENTS TO FACILITIES OF THE AUTHORITY, AND THE
ISSUANCE, SALE AND AWARD OF A NOT TO EXCEED
\$6,600,000 REVENUE BOND, AND PROVIDING FOR THE FORM,
DETAILS AND PAYMENT THEREOF**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Montgomery County Public Service Authority hereby approves the attached Resolution entitled "Resolution of the Montgomery County Public Service Authorizing the Refunding of Existing Bonds of the Authority, the Undertaking of Capital Improvements to Facilities of the Authority, and the Issuance, Sale and Award of a Not to Exceed \$6,600,000 Revenue Bond, and Providing for the Form, Details and Payment Thereof", for refinancing of Rural Development loans; and, the Chairman and Secretary-Treasurer are hereby authorized to execute said Resolution on behalf of the Authority.

FURTHER, the Resolution in its entirety will be made part of the official minutes of the Montgomery County Public Service Authority.

A roll call vote on the above resolution is required.

ISSUE/PURPOSE: To refinance the existing Rural Development loans to obtain lower interest and shorten the term in order to reduce the overall cost and term of the Rural Development loans.

JUSTIFICATION: Reducing the interest rate and term is projected to save the PSA \$1,780,122.
See attached copy of resolution.

C. SUBJECT: APPROVE FINANCING AGREEMENT BETWEEN THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY & CARTER BANK & TRUST

**R08-06-09-3
RESOLUTION APPROVING FINANCING AGREEMENT
BETWEEN THE MONTGOMERY COUNTY PUBLIC
SERVICE AUTHORITY AND CARTER BANK & TRUST**

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Montgomery County Public Service Authority hereby approves the Financing Agreement between the Montgomery County Public Service Authority and Carter Bank & Trust; and, the Chair is authorized to execute said agreement on behalf of the Authority.

ISSUE/PURPOSE: To refinance the existing Rural Development Loans to obtain lower interest and shorten the term in order to reduce the overall cost and reduce the term of the Rural Development loans.

JUSTIFICATION:

Reducing the interest rate and term is projected to save the PSA \$1,780,122.
See attached copy of agreement.

VI. DIRECTOR'S REPORT

The Director's Report will be presented at this time.
See attached Director's Report.

VII. ADJOURNMENT

PROPOSED RESOLUTION:

BE IT RESOLVED, that the Public Service Authority does hereby adjourn to the next meeting scheduled for July 7, 2008.